



REGULAR MEETING OF THE ZIONSVILLE REDEVELOPMENT COMMISSION

Monday, December 23, 2019

6:30 p.m.

**Zionsville Town Hall Council Chamber
1100 West Oak Street**

AGENDA

1. Call to Order
2. Consideration of the Approval of the Memorandum of the September 23, 2019 regular meeting
3. Reports
4. Old Business
5. New Business
 - a. A Public Hearing regarding the Confirmation Resolution regarding the Holliday Farms Economic Development Area
 - b. Adoption of Confirmatory Resolution regarding establishment of Economic Development Area / approval of Economic Development Plan (EDP) - Holliday Farms
6. Other Business
7. Adjourn

NEXT REGULAR MEETING:

RDC – Monday, January 27, 2020 at 6:30 p.m. in the Zionsville Town Hall Council Chamber

**NOTICE OF PUBLIC HEARING OF
ZIONSVILLE REDEVELOPMENT COMMISSION**

Notice is hereby given that the Town of Zionsville Redevelopment Commission (the “Commission”), being the governing body of the Department of Redevelopment of the Town of Zionsville (the “Department”), on September 23, 2019, adopted a resolution (the “Declaratory Resolution”) (i) declaring that a certain area within the Town of Zionsville, Indiana, designated as the “Holliday Farms Economic Development Area” (the “Economic Development Area”), is an economic development area within the meaning of Indiana Code 36-7-14, as amended (the “Act”), (ii) approving an economic development plan for the Economic Development Area (the “Economic Development Plan”), and (iii) designating all of the Economic Development Area as an “allocation area” for the purpose of the allocation and distribution of certain property taxes (commonly referred to as “tax increment”) under Section 39 of the Act.

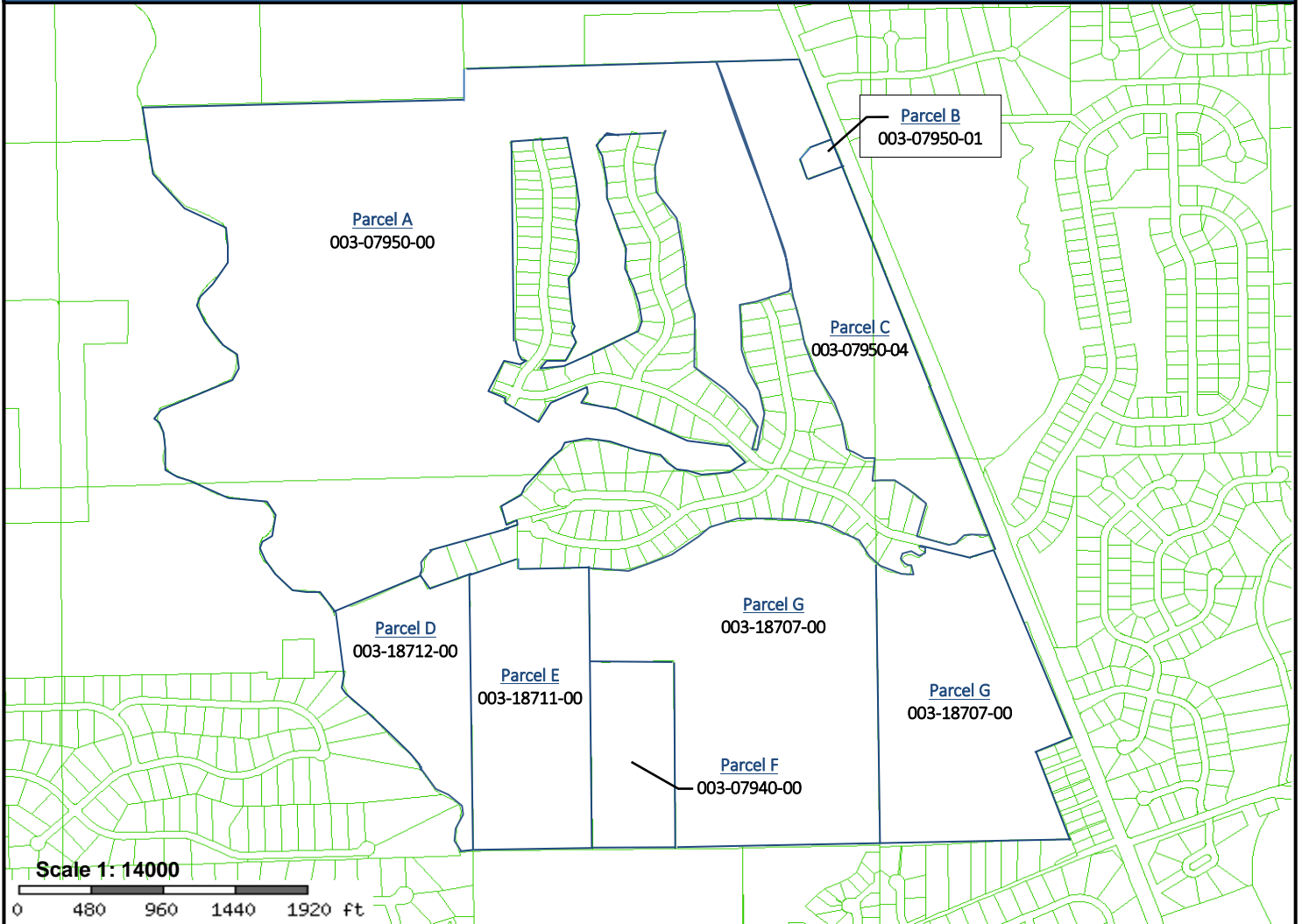
A detailed description of the Economic Development Area is included in the Economic Development Plan and can be inspected in the Department of Planning and Economic Development in Town Hall, 1100 West Oak Street, Zionsville, Indiana.

Notice is hereby given that the Commission will conduct a public hearing on Monday, December 23, 2019, at 6:30 p.m., local time, in the Council Chambers Room 105 of the Zionsville Town Hall, located at 1100 West Oak Street, Zionsville, Indiana, to receive and hear remonstrances and objections from all persons interested in or affected by the proposed projects for the Economic Development Area and the proceedings pertaining thereto.

Following the public hearing, the Commission will determine the public utility and the benefit of the proposed projects. Maps and plats have been prepared and, along with the Economic Development Plan, can be inspected at the Department of Planning and Economic Development in Town Hall at the address set forth above.

Dated this 11th day of December, 2019.

TOWN OF ZIONSVILLE
REDEVELOPMENT COMMISSION



Parcels

Holliday Farms – Parcel Information					
Parcel	County Parcel No.	State Parcel No.	Cripe Parcel No.	Owner Name	Mailing Address
A	003-07950-00	06-08-23-000-005.000-005	4	HOLLIDAY-ROGERS LIMITED PTNSHP	201 INDIAN HARBOR RD VERO BEACH, FL 32963
B	003-07950-01	06-08-23-000-005.002-005	-	THE CLUB AT HOLLIDAY FARM S, L	1100 CHATHAM HILLS BLVD, WESTFIELD, IN 46074
C	003-07950-04	06-08-23-000-019.002-005	-	THE CLUB AT HOLLIDAY FARMS LLP	3650 S US 421
D	003-18712-00	06-08-26-000-009.000-005	2	ROGERS MARY HOLLIDAY	201 INDIAN HARBOR RD VERO BEACH, FL 32963
E	003-18711-00	06-08-26-000-001.000-005	2	ROGERS MARY HOLLIDAY	201 INDIAN HARBOR RD VERO BEACH, FL 32963
F	003-07940-00	06-08-26-000-008.000-005	1	ROGERS MARY HOLLIDAY	201 INDIAN HARBOR RD VERO BEACH, FL 32963
G	003-18707-00	06-08-25-000-005.000-005	1	ROGERS MARY HOLLIDAY	201 INDIAN HARBOR RD VERO BEACH, FL 32963

Parcel A = Deed Record 256, Pages 818-822

Parcel B = Instrument Number 2018007592

Parcel D, E, F, G = Deed Record 237, Pages 601-604

RESOLUTION No. _____

**RESOLUTION OF THE ZIONSVILLE REDEVELOPMENT COMMISSION
CONFIRMING THE ESTABLISHMENT OF THE HOLLIDAY FARMS
ECONOMIC DEVELOPMENT AREA AND RELATED ALLOCATION AREA
IN THE TOWN OF ZIONSVILLE, INDIANA, AND APPROVING AN
ECONOMIC DEVELOPMENT PLAN FOR SAID AREA**

WHEREAS, the Town of Zionsville Redevelopment Commission (the “Commission”), as the governing body for the Department of Redevelopment of the Town of Zionsville (the “Department”), pursuant to Indiana Code 36-7-14, as amended (the “Act”), on September 23, 2019, adopted Resolution No. 2019-01 (the “Declaratory Resolution”) designating an area known as the Holliday Farms Economic Development Area (the “Economic Development Area”), as an “economic development area” pursuant to Section 41 of the Act and designating all of such area as an allocation area (the “Allocation Area”) pursuant to Section 39 of the Act; and

WHEREAS, the Declaratory Resolution also approved an economic development plan for the Economic Development Area (the “Plan”); and

WHEREAS, pursuant to Section 16 of the Act, the Town of Zionsville Plan Commission, on October 21, 2019, adopted a Resolution (the “Plan Commission Order”) determining that the Declaratory Resolution and the Plan conform to the plan of development for the Town of Zionsville and approving the Declaratory Resolution and the Plan; and

WHEREAS, pursuant to Sections 16 and 41 of the Act, the Town Council of the Town of Zionsville, Indiana, on December 2, 2019, adopted a Resolution which approved the Declaratory Resolution, the Plan and the Plan Commission Order; and

WHEREAS, the Commission has received the written orders of approval as required by Section 17(a) of the Act; and

WHEREAS, pursuant to Sections 17(a) and 17(b) of the Act, the Commission caused to be published and filed a Notice of Public Hearing with respect to the Declaratory Resolution; and

WHEREAS, pursuant to Section 17(c) of the Act, the Commission also filed with each taxing unit located wholly or partially within the Allocation Area a copy of the Notice of Public Hearing and a statement disclosing the impact of the Allocation Area; and

WHEREAS, at the hearing (the “Public Hearing”) held by the Commission on the date hereof, the Commission heard all persons interested in the proceedings and considered any written remonstrances that were filed and all evidence presented; and

WHEREAS, the Commission now desires to take final action determining the public utility and benefit of the proposed development projects for the Economic Development Area and confirming the Declaratory Resolution, in accordance with Section 17 of the Act.

NOW, THEREFORE, BE IT RESOLVED by the Town of Zionsville Redevelopment Commission, as the governing body of the Department of Redevelopment of the Town of Zionsville, Indiana, as follows:

1. After considering the evidence presented at the Public Hearing, the Commission hereby confirms the findings, determinations, designations and approving and adopting actions contained in the Declaratory Resolution.

2. After considering the evidence presented at the Public Hearing, the Commission hereby finds and determines that it will be of public utility and benefit to proceed with the proposed projects set forth in the Plan, and the Plan is hereby approved in all respects.

3. The Declaratory Resolution is hereby confirmed in all respects.

4. This Resolution constitutes final action, pursuant to Section 17(d) of the Act, by the Commission determining the public utility and benefit of the proposed projects, and confirming the Declaratory Resolution pertaining to the Economic Development Area. The Secretary of the Commission is directed to record the final action taken by the Commission pursuant to the requirements of Section 17(d) of the Act.

5. This Resolution shall take effect immediately upon its adoption by the Commission.

Adopted the 23rd day of December, 2019.

**TOWN OF ZIONSVILLE
REDEVELOPMENT COMMISSION**

President

Vice President

Secretary

Member

Member

Economic and Tax Revenue Impact Statement for the Holliday Farms Economic Development Area

Holliday Farms Tax Increment Finance (TIF) Allocation Area

**Town of Zionsville Redevelopment Commission
December 13, 2019**

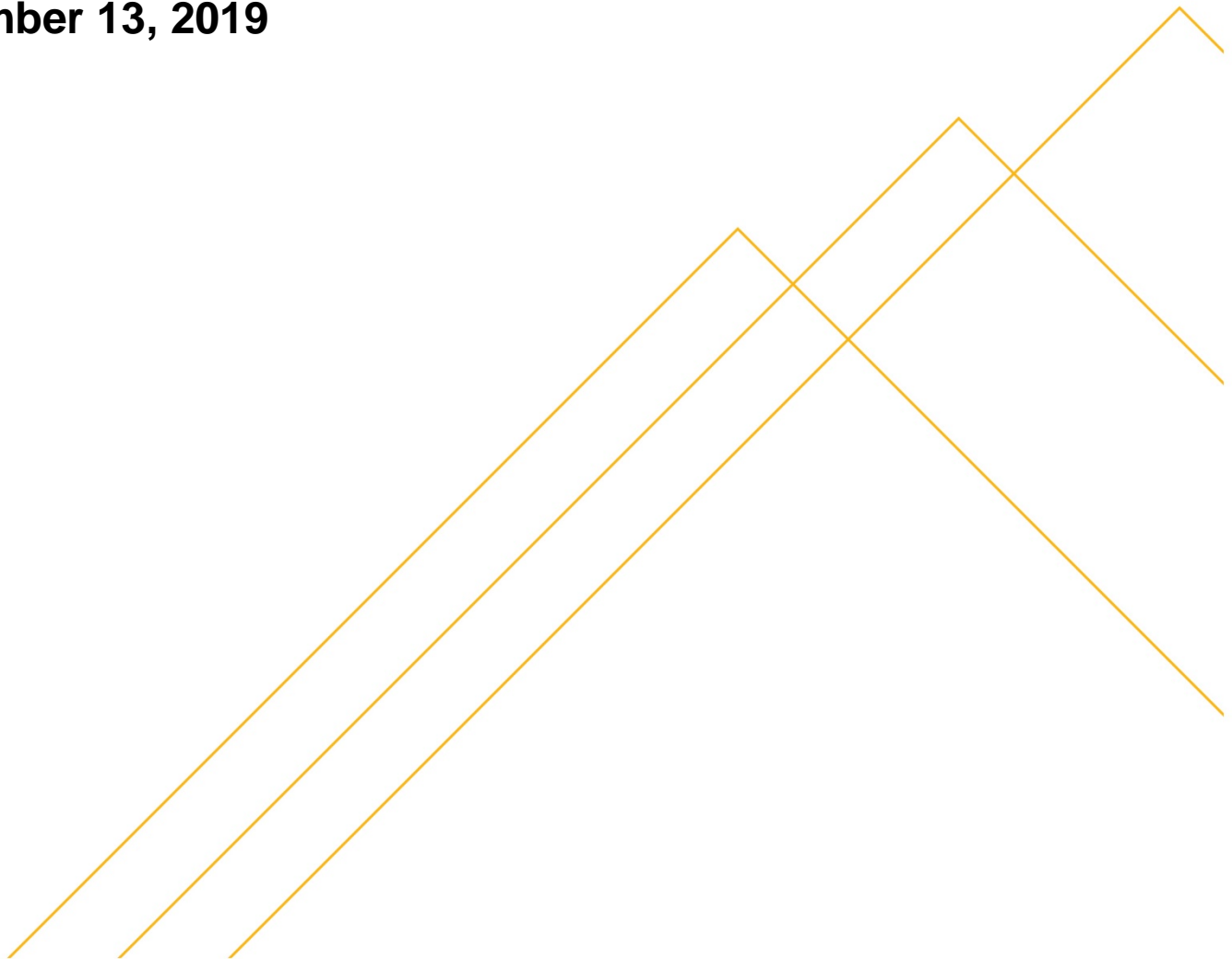


Table of Contents

Purpose of the Statement	1
Background	2
Estimated Economic Benefits and Cost of the Project.....	3
Methodology.....	4
Levy Controls.....	4
Rate Controls.....	4
Estimated TIF Revenues	5
Summary of Significant Assumptions.....	6
Exhibit A: Tax Rate Summary Taxing District 005 – Eagle/Zionsville Rural District	7

Purpose of the Statement

Crowe LLP (“Crowe”) has prepared an Economic and Tax Revenue Impact Statement for development to occur within the proposed Holliday Farms Tax Increment Finance (TIF) Allocation Area located within the Holliday Farms Economic Development Area of the Town of Zionsville, Indiana (the “Town”). The results of our analysis are contained within this Economic and Tax Revenue Impact Statement for the Holliday Farms Economic Development Area – Holliday Farms TIF Allocation Area (the “Statement”).

The purpose of this Statement is to notify taxing units that may be affected by the designation of the Allocation Area, as later defined, of the estimated economic benefits and costs, and the anticipated impact on tax revenues as a result of this action, pursuant to Indiana Code 36-7-14-17. Certain economic development facilities, including the proposed development of Holliday Farms, a residential community featuring trails, parks, and numerous amenities, including two golf courses and a clubhouse, and future commercial and retail development (the “Project”), have been identified for construction within the Allocation Area and described in detail in the Estimated Economic Benefits and Costs of the Project in this Statement.

In the course of preparing this Statement, we have not conducted an audit, review, or compilation of any financial or supplemental data. We have made certain projections of revenues which may vary from actual results because events and circumstances frequently do not occur as expected and such variances may be material. We have no responsibility to update this Statement for events or circumstances occurring after the date of this Statement.

If you have questions regarding this Statement, please contact Mark Adam at (317) 269-2584 or Mark.Adam@crowe.com or Becca Zakowski at (317) 689-5506 or Rebecca.Zakowski@crowe.com.

Background

The Town of Zionsville Redevelopment Commission (the “Commission”) serves as the governing body of the Redevelopment District (the “District”) of the Town. On September 23, 2019, the Commission (1) adopted Resolution No. 2019-01 (the “Declaratory Resolution”) declaring an area of the Town as the Holliday Farms Economic Development Area (the “Economic Development Area”) to be an “economic development area” within the meaning of Indiana Code 36-7-14, as amended (the “Act”), (2) designated the Economic Development Area as an allocation area known as the Holliday Farms Allocation Area (the “Allocation Area”) for purposes of Section 39 of the Act, and (3) approved the Economic Development Plan (the “Plan”) for the Economic Development Area. The base assessment date for property in the Allocation Area is January 1, 2019, and will expire twenty-five (25) years after the date on which the first obligation is incurred to pay principal and interest on bonds or lease rentals on leases payable from TIF revenue derived from the Allocation Area.

Pursuant to Section 39 of the Act, the Allocation Area is to be designated as such for the purposes of the allocation and distribution of property taxes on real property for the purposes and in the manner provided by Section 39 of the Act. TIF revenues, as it relates to the Allocation Area, will consist of all property taxes on real property generated in the Allocation Area in excess of those attributable to the base assessed value.

The proposed Allocation Area is located within the vicinity of South Michigan Road, Willow Road, and East 300 South.

Estimated Economic Benefits and Cost of the Project

Pursuant to Indiana Code 36-7-14-17, this Economic and Tax Revenue Impact Statement (the “Statement”) has been prepared for the purpose of notifying taxing units that may be affected by the designation of the Allocation Area of the estimated economic benefits and costs and the anticipated impact on tax revenues as a result of this action.

The proposed economic development facilities to be developed by Henke Development Group (the “Developer”), consisting of the development of Holliday Farms, a residential community featuring trails, parks, and numerous amenities, including two golf courses and a clubhouse, and future commercial and retail development (the “Project”), have been identified for construction within the Allocation Area. The Project is expected to be constructed in phases and will include a resort-style community, featuring a Championship 18-Hole Golf Course and 9-Hole Executive Course and amenities consisting of a clubhouse that will include fitness swimming, dining, social events, and tennis. The Project will include future commercial and retail development and 325 apartment/multi-family housing units. All phases of the Project are expected to be complete by 2028. The Developer has provided an estimated total cost of the proposed Project, including all phases, of more than \$161 million.

Public infrastructure improvements necessary to serve private development projects are also planned for the Allocation Area. The Commission estimates that the cost to the Commission of implementing the Plan is approximately \$20 million and may include improvements such as surface water drainage and collection infrastructure, water system and storage facilities, water treatment infrastructure, roads, streets, sidewalks, streetlights, pathways, trails and related infrastructure, sewer infrastructure, amphitheater, community event center, and various other local public improvements.

The Plan for the Economic Development Area promotes significant opportunities for the gainful employment of the citizens of the Town, will assist in attracting major new business enterprises of the Town, and may result in the retention or expansion of significant business enterprises existing in the Town. The Commission finds that the Plan will be of benefit to the public health, safety and welfare, increase the economic well-being of the Town, and serve to protect and increase the property values in the Town.

Methodology

The analysis of any tax revenue impact of the Allocation Area must be viewed in the context of Indiana property tax controls. The statutory controls affect funds in a governmental unit by controlling the amount that can be levied in taxes by either controlling the aggregate amount of taxes that can be levied or by controlling the tax rate applied, or both.

Although aggregate levy and rate controls are applied at the fund level, legislation passed by the Indiana General Assembly has modified an existing property tax control at the individual property taxpayer level ("Circuit Breaker Tax Credit"). This control provides that the circuit breaker tax credit is granted for a property tax liability in excess of one percent (1%) for homestead-eligible property, two percent (2%) for other residential real property (generally, apartments and rental homes), long-term care facilities, and agricultural land, and three percent (3%) for all other real and personal property. Taxes credited to each taxpayer shall result in a revenue reduction to each affected taxing unit, and the revenue lost may not be made up by a unit through the levying of additional property taxes or borrowing funds.

Therefore, potential growth in assessed value otherwise captured by the creation or expansion of a TIF area to include additional real or personal property may have a limited indirect effect on the capability of levy-controlled funds to raise required property tax revenues to the extent that growth in property assessed values are limited, resulting in individual property tax rates which exceed the property tax caps.

Levy Controls

Governmental funds which are levy controlled are limited on an aggregate basis by a "maximum levy" calculation and not by a rate control. The maximum permissible levy growth for each succeeding tax year is based on the average change in Indiana non-farm personal income for each of six years preceding the year in which a budget is adopted.

Rate Controls

For funds controlled by a tax rate and are at the maximum permissible rate, the establishment of or expansion of a TIF area to include additional real or personal property has a potential impact on the unit's tax revenue equal to the increased assessed valuation captured in the TIF area times the controlled tax rate and further impacted by Circuit Breaker Tax Credits.

Estimated TIF Revenues

Tax increment or TIF revenues consist of all property tax proceeds from the assessed valuation on non-residential real property in the Allocation Area as of the assessment date in excess of the base assessed valuation as described in the Act, multiplied by the current net property tax rate.

The Project is located within Taxing District 005 – Eagle/Zionsville Rural District. The gross tax rate for Pay Year 2019 is \$1.8663 per \$100 of net assessed value (NAV). For purposes of calculating TIF revenues, the tax rate associated with the Zionsville Community School Corporation Referendum levy is excluded; therefore, the net tax rate applicable to the Allocation Area is \$1.6399 per \$100 of NAV. The estimated assessed valuation of the apartments/multi-family housing component of the Project is approximately \$49,968,750 resulting in annual TIF revenues, assuming the Project is fully completed and assessed, of \$819,438. The estimated assessed valuation of the commercial component of the Project is approximately \$71,250,000 resulting in annual TIF revenues, assuming the Project is fully completed and assessed, of \$1,168,429.

The Commission has determined that the capture of the non-residential incremental assessed value from the Allocation Area will not have a negative impact on anticipated revenues of the overlapping taxing units and that the Plan cannot be achieved by regulatory processes or ordinary operations without resort to the powers under the Act. Because the future development (and new assessed value) cannot occur without the Project, the Commission does not believe there is a negative impact on the taxpayers or the taxing units resulting from the establishment of the Allocation Area. (The assessed valuation associated with the residential development will not be captured in the Allocation Area and will flow to the taxing units.) After the expiration of the Allocation Area, the non-residential real property's incremental assessed value will be added to the tax base of the overlapping taxing units.

Again, the Commission has determined that there is no direct tax rate or levy impact on the overlapping taxing units as a result of the designation of the allocation provisions for the Allocation Area as the Project is not anticipated to occur "but for" public intervention and public investment of the Commission and Town.

Summary of Significant Assumptions

This Statement was prepared on the basis of assumptions provided by the Commission, the Town, the Developer, and Crowe (collectively, the “Project Team”), and other resources deemed reliable. The assumptions herein are those that are significant to this Statement.

1. Estimated incremental assessed value is based on new non-residential real property investments. New non-residential real property investment estimates were provided by the Developer. The calculation assumes the assessed value of the non-residential project components will be equal to seventy-five percent (75%) of the investment cost estimates, as provided by the Developer.
2. The Pay Year 2019 net tax rates used as the basis for this analysis are those approved by the Department of Local Government Finance. No tax rate growth or assessed value growth has been assumed other than the amounts identified in this Statement due to the new real property investments.
3. The anticipated timing of the investments related to the Project was provided by the Developer.
4. It is assumed that the Project will be fully assessed in 2029 for Pay Year 2030. The Project is expected to be completed in phases.
5. No effect for environmental, regulatory, or other unforeseen circumstances which may have an impact on the assessment of the property either in Boone County or the Allocation Area has been reflected in this Statement.
6. We have assumed no change in the net tax rate used to calculate the TIF revenues.

Exhibit A: Tax Rate Summary Taxing District 005 – Eagle/Zionsville Rural District

	Certified Payable Year 2019 Tax Rate (1) (2) (3)
<u>Boone County</u>	
General	\$ 0.1517
2015 Reassessment	0.0104
Cumulative Bridge	0.0125
Health	0.0108
Cumulative Capital Development	<u>0.0331</u>
Total Boone County	<u>0.2185</u>
<u>Zionsville Civil Town</u>	
General	0.0354
Fire	0.1344
Cumulative Fire Special	0.0333
Park and Recreation	0.0441
Cumulative Capital Development	<u>0.0500</u>
Total Zionsville Civil Town	<u>0.2972</u>
<u>Zionsville Community School Corporation</u>	
Debt Service	0.7536
Pension Debt	0.0223
Referendum School Post 09	0.2264
Operations	<u>0.2957</u>
Total Zionsville Community School Corporation	<u>1.2980</u>
<u>Hussey-Mayfield Memorial Library</u>	
General	0.0353
Lease Rental Payment	<u>0.0173</u>
Total Hussey-Mayfield Memorial Library	<u>0.0526</u>
Total Tax Rate	<u>\$ 1.8663</u>

(1) Source: Department of Local Government Finance 2019 Budget Order.

(2) Per \$100 of Net Assessed Value (NAV).

(3) For purposes of calculating TIF revenues, the tax rate associated with the Zionsville Community School Corporation Referendum levy is excluded. The total TIF tax rate is \$1.6399.